

Service Date: December 28, 1983

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER of the Application	)
of MOUNTAIN STATES TELEPHONE AND	)UTILITY DIVISION
TELEGRAPH COMPANY (MOUNTAIN BELL)	)
For Authority to Introduce Selec-	)DOCKET NO. 83.11.86
tive Ringing Module Service for	)
Multi-Party Line Customers.	)DEFAULT ORDER NO. 5041

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On November 23, 1983, Mountain States Telephone and Telegraph Company (Mountain Bell) filed a request with the Montana Public Service Commission (Commission) for authority to introduce Selective Ringing Module service for multi-party line customers. Mountain Bell proposes to use Selective Ringing Modules to accommodate deregulated customer premise equipment (telephones) on multi-party lines after January 1, 1984. The module would be required for three circumstances: (1) when an existing multi party line customer's phone is inoperative and Mountain Bell makes a repair visit; (2) when new multi-party installations are required, and (3) when a multi-party line customer who does not have Selective Ringing Module buys a new telephone.

The Selective Ringing Module allows Mountain Bell to monitor toll calls made by multi-party line customers and insures ringing integrity.

Mountain Bell performed recurring and nonrecurring cost studies for providing Selective Ringing Module service. The nonrecurring costs equal \$43.40 per occurrence; the recurring costs equal \$9.19 per annum.

Mountain Bell's proposed rate design to recover the above costs is a 25 cent per month adder on each and every multi-party line customer's bill (whether they have a Selective Ringing Module or not).

Having considered the application and documentation furnished by Mountain Bell in support of its application, the Commission makes the following Findings of Fact and Conclusions of Law.

#### FINDINGS OF FACT

1. A Notice of Opportunity For Public Hearing was issued on December 6, 1983. The notice was published in the Billings Gazette, Daily Chronicle, the Montana Standard, Great Falls Tribune, Ravalli Republic, Havre Daily News, Independent Record, Livingston Enterprise, Miles City Star, and the Missoulian. The notice stated that, if no hearing is requested by December 27, 1983, an appropriate order would be issued based upon the evidence submitted.

2. As of December 27, 1983, no request for hearing has been filed with the Commission.

3. The Commission finds that the Mountain Bell tariff filing unnecessarily restricts the options that should be available to new and existing multi-party line customers.

4. The speculative nature of the recurring charges is of concern to the Commission in the absence of actual cost experience. The Commission finds that an initial recurring rate of \$0.45/month (\$5.40/year), which equals the inside wire maintenance charge, is appropriate. This charge would apply only to customers who have had a Selective Ringing Module installed.

5. Multi-party line customers (new and existing) shall have the following options at the time the need for a Selective Ringing Module is triggered: (1) to incur the above recurring rate and a nonrecurring rate of \$43.40 as proposed by Mountain Bell or (2) to have a competitor of Mountain Bell (retailer of new phones and/or repair service) rewire new and/or existing phones, as needed, to interface with the Mountain Bell network. If neither of these alternatives are attractive, a new or existing customer always has the option to upgrade his/her service to one-party service.

6. Given the above Finding, there exists no need to place a recurring surcharge on the monthly bills of any customer. A customer that opts for multi-party line service shall bear the full cost of this decision.

7. The commission finds that Mountain Bell shall develop wiring specifications for interfacing various types of phones with the network. Such specifications must be provided to each existing multi-party line customer at the time of a repair visit and to new multi-party line customers when new service is requested. Such specifications should be written instructions as to how the customer's phone must be internally wired to insure ringing integrity and proper billing.

#### CONCLUSIONS ON LAW

1. Mountain Bell furnishes telephone service within the State of Montana and is a "public utility" under the regulatory jurisdiction of the Montana Public Service Commission. 69-3-101, MCA.

2. The rate levels approved herein are reasonable and just. 69-3-330, MCA.

### ORDER

1. IT IS HEREBY ORDERED that the proposed 25 cent surcharge on all multi-party line customers be denied;

2. Mountain Bell shall provide Selective Rigging Module service at the full recurring and nonrecurring costs provided in this Order.

3. These tariff revisions shall be effective for service rendered on or after January 1, 1984.

4. Mountain Bell shall refile a Selective Ringing Module tariff reflecting the Findings of Fact in this Order.

5. That notification of the alternatives available to multi-party line customers (Finding of Fact Nos. 4 and 5 above) be provided as follows: (1) existing customers should be notified at the earliest opportunity in the month of January 1984, and (2) new customers after January 1, 1984, should be notified upon request for multi-party line service.

DONE IN OPEN SESSION at Helena, Montana, this 22nd day of December, 1983, by a 5 - 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

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THOMAS J. SCHNEIDER, Chairman

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JOHN B. DRISCOLL, Commissioner

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HOWARD L. ELLIS, Commissioner

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CLYDE JARVIS, Commissioner

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DANNY OBERG, Commissioner

ATTEST:

Madeline L. Cottrill Commission Secretary

(SEAL)

NOTE:

Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See ARM 38.2.4806.